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George Allingame
Managing director
Pindan
Photo: Attila Csaszar

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“The team at BDO continues to provide more public Independent Expert Reports than any other firm in Australia”
BDO Corporate Finance
Two home-grown WA building companies are celebrating four decades in the business this year.

Dan Wilkie
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AFTER 40 years in the building game, George Allingham doesn’t get fazed by economic cycles.

Mr Allingham’s construction company, Pindan, was established in 1977 and now ranks among the state’s top five residential builders, and the top ten nationwide.

In commercial construction, Pindan is ranked the 25th largest builder in Australia.

However, Mr Allingham said Pindan was a vastly different-looking company when it was established.

“THERE were only two of us when it started, so it’s a bit of a different scene,” Mr Allingham told Business News.

“It’s just a gradual progression really; the jobs have got bigger and as we’ve got more jobs we’ve branched out into other areas.

“We’ve sort of grown organically.”

That organic growth has resulted in the establishment of six different operating divisions at Pindan, ranging from small to medium-size construction, contracting, asset management, modular building, property funds management, project marketing and sales, as well as design and construct services.

Mr Allingham said the full suite of services was paramount to the company’s longevity.

“We try and give our clients the best of the whole suite of project services, we manage the whole lot for them,” he said.

“Our strategy really is to add value for clients in terms of early contractor involvement and all those sorts of things, and through development management we find deals that are happy for us to work them up.

“But probably the best thing you can have is a lot of good people working for you; if you can get them working in the one direction, then you’re pretty fortunate.”

Part of Pindan’s success, Mr Allingham said, was recognising the state of the market and acting accordingly.

In recent months, Pindan has placed three projects on hold because of difficult conditions in the residential market.

“ECONOMIC conditions in the mid-residential market – we’re in East Perth, another in Bayswater and a third in North Fremantle.

“People who get hurt in busts are the ones who come in later,” Mr Allingham said.

“Lots of builders don’t actually make a lot of money during booms because it’s difficult to get things done on time and that sort of stuff, so it’s better to have a bit steadier market like we’ve had.”

Mr Allingham said Pindan’s next phase of growth would be largely driven by a partnership with Singaporean development giant Oakes Holdings.

Late last year Oakes paid $22 million for a 40 per cent stake in Pindan, representing a major restructuring of the group.

Mr Allingham said the partnership would give Pindan the financial strength to become a significant national player.

Pindan’s growth during the past 40 years has to a large degree been nurtured by that of Osborne Park-based Geogrio Group.

Established by Peter Georgiou (who is still a director) in 1977, the group began life as a utilities contractor for residential work, constructing sewerage facilities, power and water.

Managing director John Georgiou said the company gradually grew its capabilities in the utilities field and the jobs got bigger, but it wasn’t until 2000 that Geogrio’s growth really accelerated.

“In the early 2000s we started doing general construction work, whether that was bridges or roads or concrete,” Mr Georgiou told Business News.

“As the jobs got more complicated, the jobs got bigger and the clients more complicated, that’s how the company grew.

“But it was really in 2000 when we started branching out into Victoria, NSW and Queensland that the business had a real step change in the way it operated.”

Geogrio Group is now a truly national firm, as a building contractor, a hand developer and an infrastructure specialist.

In recent years, Geogrio has established an apartments arm, Geogrio Living, which targets boutique developments across the metropolitan area.

Mr Georgiou said the company had been so strong for so long because of its relationships with clients as well as subcontractors.

“We don’t shirk away from the bigger jobs, but what really drives us as a business is we have a connection with our clients,” he said.

“A lot of times our clients have these needs so we are engaging them early, then bringing them in our capability, whether it’s dealing with complexity or it’s dealing with a specific need they have.

“We see ourselves as a relationship-based business, so most of our projects are repeat work.

“Every year now and then we might have a new client, but typically our work comes from the same clients.

“When they come to us they might be in the early stages of planning or it might be engineering or problem solving, but we like to engage with them.

“That’s where I think we can show our true value – when we can get involved early and shape what the situation will look like.”